Risk Factors Comparison 2024-02-22 to 2023-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Risks Related to Our Business and Industry Strategic, Market and Competition Risks We face significant competition for our Marketing Services solutions and SaaS offerings, which may harm our ability to add new clients, retain existing clients and grow our business. Competitors include companies who use components of our SaaS offerings provided by third parties. We face intense competition from other companies that offer marketing solutions and business management tools for the SMB market. Competition could significantly impede our ability to sell marketing solutions or subscriptions to our Thryv platform and add- ons on terms favorable to us. Our current and potential competitors may develop and market new technologies that render our existing or future products less competitive or obsolete. In addition, if these competitors develop products with similar or superior functionality to our Thryv platform, we may need to decrease prices or accept less favorable terms for our platform subscriptions in order to remain competitive. If we are unable to maintain our pricing due to competitive pressures, our operating results will be adversely affected. Our competitors include: • other print media companies; • cloud- based business automation providers; • email marketing software vendors; • sales force automation and CRM software vendors; • website builders and providers of other digital tools, including low cost, less experienced do- it- yourself providers; • marketing agencies and other providers of SEM, online display and social advertising, online presence and video, and other digital marketing services including SEO tools; and • large- scale SaaS enterprise suites who are moving down market and targeting SMBs. In addition, instead of using our platform, some prospective clients may elect to combine disparate point applications, such as content management systems (" CMS "), marketing automation, CRM, billing and payments management, analytics and social media management. We also face competition from third parties who provide us components of our SaaS offerings. We may also face competition from others who reoffer or use such components in their SaaS solutions. There are lower barriers to entry for SaaS solutions, and we expect that new competitors, such as SaaS vendors that have traditionally focused on back- office functions, will develop and introduce applications serving customer- facing and other front- office functions. This development could have an adverse effect on our business, operating results and financial condition. In addition, sales force automation and CRM system vendors could acquire or develop applications that compete with our software offerings. Some of these companies have acquired social media marketing and other marketing software providers to integrate with their broader offerings. We also face competition from search engines and portals as well as online directories, other business search sites and social media networks, some of which have entered into commercial agreements with us to provide support for our solutions. Our digital strategy may be adversely affected if major search engines or social media networks with which we currently have commercial agreements decide to more directly market advertising and SaaS business solutions to SMBs. Competing search engines also have the ability to alter their search algorithms, which could change the current flow of commercial search traffic away from our sites and our customers. If this occurs, we may not be able to compete effectively with these other companies, some of which have greater resources than we do. Our current and potential competitors may have significantly more financial, technical, marketing and other resources than we have, and they may be able to devote greater resources to the development, promotion, sale and support of their products and services. Additionally, they may have more extensive customer bases, broader customer relationships, and greater name recognition. As a result, these competitors may respond faster to new technologies and undertake more extensive marketing campaigns for their products. In a few cases, these competitors may also be able to offer marketing and sales software at little or no additional cost by bundling it with their existing suite of applications. To the extent any of our competitors have existing relationships with potential clients for either business software or marketing solutions, those clients may be unwilling to purchase our platform because of their existing relationships with our competitor. If we are unable to compete effectively with such companies, the demand for our Marketing Services solutions and SaaS offerings could decline substantially. In addition, if one or more of our competitors were to merge or partner with another of our competitors, our ability to compete effectively could be adversely affected. Our competitors may also establish or strengthen cooperative relationships with our current or future strategic distribution and technology partners or other parties with whom we have relationships, thereby limiting our ability to promote and implement our Thryv platform. We may not be able to compete successfully against current or future competitors, and competitive pressures may harm our business, operating results and financial condition. Our Marketing Services business revenue, which comprises a significant portion of our revenue, may decline at a rate faster than we anticipate, and we may not be able to successfully transition our Marketing Services clients to our Thryv platform in order to offset the decline in Marketing Services revenue with SaaS revenue. Our growth strategy is focused on the growth and expansion of our SaaS offerings; however, during ~~2022~~ **2023** , ~~82~~ **71** . ~~0~~ **2** % of our revenue was derived from our Marketing Services offerings. Maintenance of our Marketing Services business requires investment, specifically with respect to compliance updates and security controls. If our investments are not sufficient to adequately update our Marketing Services business, such solutions may lose market acceptance, and we may face security vulnerabilities. In recent years, overall industry demand for print services has declined significantly, and we expect this trend to continue. In addition, we have marketed our SaaS offerings to our Marketing Services clients, and some of our Marketing Services clients have transitioned to our Thryv platform, but there is no guarantee that remaining Marketing Services clients will transition to our Thryv platform. If such Marketing Services clients do not transition, we may lose them in the future, or we may be required to make ongoing investments to serve a smaller pool of clients. If our revenue from our Marketing Services declines at a rate faster than anticipated, our necessary investments in Marketing Services may not be offset by revenue generated. Also, if we are not able to successfully convert a sufficient number of our Marketing Services clients to our SaaS offerings, or if the decline in our

Marketing Services revenue continues to outpace our SaaS revenue growth, this could have a material adverse effect on our business, financial condition and results of operations. We recognize revenue for our print services upon delivery of the ~~PYP~~ **print** directories to the intended market, which can result in variability in the amount of revenue recognized each quarter due to the publication cycle of each ~~PYP~~ **print** directory. We recognize revenue for print services at a point in time upon delivery of the published ~~PYP~~ **print** directories containing customer advertisements to the intended market. Our ~~PYP~~ **print** directories typically have 12- month publication cycles in Australia **and New Zealand** and 15 to 18- month publication cycles in the U. S. As a result, we typically record revenue for each publication only once every 12 to 18 months, depending on the publication cycle of the directory. The amount of revenue we recognize each quarter from our ~~PYP~~ **print** directories is therefore directly related to the number of ~~PYP~~ **print** directories we deliver to the intended market each quarter, which can vary dramatically based on the timing of the publication cycles. ~~For example, during the third quarter of fiscal 2023, due to the timing of publication cycles, we expect to deliver fewer PYP publications than compared to the third quarter of fiscal 2022, resulting in lower year- over- year Marketing Services revenues. We generally expect these PYP publications to be delivered in future quarters, however, resulting in a shift of the revenue recognition for these publications from the third quarter of fiscal 2023 to future quarters.~~ The timing of our ~~PYP~~ **print** publication cycles may result in increased variability in the amount of revenue recognized each quarter, which could have a material adverse effect on our results of operations. If our SEO strategies fail to help our IYPs get discovered or our clients' websites to get discovered in unpaid search results, our business could be adversely affected. Our success depends in part on our ability to help our IYPs and our clients' websites and contact information get discovered more easily in unpaid internet search results on search engines, such as Google, Yahoo! and Bing, among others. Algorithms are used by these search engines to determine search result listings and the order of such listings displayed in response to specific searches. Accordingly, our SEO efforts help our IYPs and our clients' websites to be discovered more easily in organic search engine results, making it more likely that search engine users will visit these websites. However, our SEO efforts on behalf of our IYPs or our clients' websites may not succeed in improving the discoverability of this content. Google in particular is the most significant source of traffic to our IYPs and to our clients' websites. Therefore, it is important for us to maintain an effective SEO strategy so that our IYPs, where our clients' business profiles are found, and our SMB clients' websites, maintain a prominent presence in results from Google search queries. If we fail to do so, our business, financial condition and results of operations may be materially adversely affected. In addition, search engines frequently change the criteria that determine the order in which their search results are displayed, and our SEO efforts on behalf of our own sites and our clients' sites will be unsuccessful if we do not effectively respond to those changes on a timely basis, or if the algorithm changes made by Google and other search engines make it harder for our IYPs or our clients' websites to rank, reducing traffic flow. Therefore, if we are unable to respond effectively to changes made by search engine providers in their algorithms and other processes, our clients may experience substantial decreases in traffic to their profile pages on our IYPs and to their own websites. This may lead to a decrease in the perceived value of our products, which could result in our inability to acquire new clients, the loss of existing clients, a decrease in revenues and a material adverse effect on our results of operations. Our growth strategy has focused on developing our SaaS segment, which has experienced recent revenue growth. If we fail to manage our growth effectively or if our strategy is not successful, we may be unable to execute our business plan, to maintain high levels of service, or to adequately address competitive challenges. We have recently experienced growth in our operations related to our SaaS segment. While we have been successful in transitioning and cross- selling our SaaS solutions to our Marketing Services clients in the past, this success may not continue. We plan to continue to invest in the infrastructure and support for our SaaS solutions while maintaining profitability in our U. S. and international Marketing Services segments. The growth of our SaaS solutions placed, and future growth will place, a significant strain on our management, administrative, operational and financial infrastructure. In order to manage this growth effectively, we will need to continue to improve our operational, financial and management controls and our reporting systems and procedures. Failure to effectively manage growth, or failure to achieve our growth strategy, could result in difficulty or delays in maintaining clients, declines in quality or customer satisfaction, increases in costs, difficulties in introducing new features, or other operational difficulties; and any of these difficulties could have a material adverse effect on our business, financial condition and results of operations. Our reliance on, and extension of credit to, small and medium sized local businesses could adversely affect our business. In the ordinary course of our business, we extend credit to SMBs in the form of a trade receivable for advertising purchases. Local businesses, however, tend to have fewer financial resources and higher failure rates than large businesses, especially during a downturn in the general economy. Also, the proliferation of very large retail stores may continue to adversely affect local businesses. We believe these limitations contribute significantly toward clients not renewing their subscriptions. If clients fail to pay within specified credit terms, we may cancel their advertising in future directories, which could further impact our ability to collect past due amounts, as well as adversely impact our advertising sales and revenue trends. In addition, full or partial collection of delinquent accounts can take an extended period of time. Consequently, we could be adversely affected by our dependence on, and our extension of credit to, local businesses in the form of trade receivables. If we are unable to develop or to sell our Thryv platform into new markets or to further penetrate existing markets, our revenue may not grow as expected. Our ability to increase revenue will depend, in large part, on our ability to increase sales from existing clients who do not utilize our Thryv platform and to sell our existing platform into new domestic and international markets. The success of our Thryv platform depends on several factors, including the introduction and market acceptance of our Thryv platform, the ability to maintain and to develop relationships with third-party service providers, and the ability to attract, to retain and to effectively train sales and marketing personnel. Any new solutions we develop or acquire may not be introduced in a timely or cost- effective manner and may not achieve the market acceptance necessary to generate significant revenue. Any new markets in which we attempt to sell our Thryv platform and add-ons, including new countries or regions, may not be receptive. Additionally, any expansion into new markets will require commensurate ongoing expansion of our monitoring of local laws and regulations, which increases our costs as well as the risk of the product not incorporating in a timely fashion or all the necessary changes to enable a client to be compliant with such laws. Our ability to further penetrate our existing markets depends on the quality of our Thryv platform and add- ons and our ability to design our solutions to meet consumer demand. Furthermore, our ability to increase sales from existing clients depends on our clients' satisfaction with our services and our clients' desire for additional solutions and to expand from single- point solutions to our comprehensive Thryv platform. If we are unable to sell solutions into new markets or to further penetrate existing markets, or to increase sales from existing clients, our revenue may not grow as expected, which could have a material adverse effect on our business, financial condition and results of operations. Furthermore, the success of any geographic expansion depends on our ability to customize products to integrate with third- party applications in that region and other market specific customizations, translate products for non- English speaking markets and provide customer service and training in local languages, which we may be unable to do successfully. We are dependent upon client renewals, the addition of new clients, increased revenue from existing clients and the continued growth of the market for our Thryv platform and any impact on these factors could materially adversely affect our operating results. We expect to derive a substantial portion of our future revenue from the sale of subscriptions to our Thryv platform. The market for small business management solutions is still evolving, and competitive dynamics may cause pricing levels to change as the market matures and as existing and new market participants introduce new types of point applications and different approaches to enable businesses to address their respective needs. As a result, we may be forced to reduce the prices we charge for our Thryv platform and may be unable to renew existing client agreements or enter into new client agreements at the same prices and upon the same terms that we have historically. In addition, our growth strategy involves cross- selling to existing U. S. and international Marketing Services clients to increase the value of our client relationships over time as we expand their use of our services, onboard other parts of their organizations and upsell additional offerings and features. If our cross- selling efforts are unsuccessful or if our existing clients fail to expand their use of our Thryv platform or adopt additional offerings and features, our operating results may be materially adversely affected. Our subscription renewals may decrease, and any decrease in our number of clients could harm our future revenue and operating results. Our Thryv platform clients have no obligation to renew their subscriptions for our platform after the expiration of their initial contractual subscription periods. Our agreements with our Thryv platform clients are typically structured on an initial multi- month subscription basis with automatic monthly renewal thereafter; consequently, our clients may choose to terminate their agreements with us at any time after the expiration of the initial term by providing us with the amount of written notice stipulated in the contract. In addition, our clients may seek to renew for lower subscription amounts or for shorter contract lengths. Also, clients may choose not to renew their subscriptions for a variety of reasons. Our renewals may decline or fluctuate as a result of a number of factors, including limited client resources, pricing changes, the prices of services offered by our competitors, adoption and utilization of our platform and related add- ons by our clients, adoption of our new solutions, client satisfaction with our platform, mergers and acquisitions affecting our client base, reductions in our clients' spending levels or declines in client activity as a result of economic downturns or uncertainty in financial markets. If our clients do not renew their subscriptions for our platform or if they decrease the amount they spend with us, our revenue will decline and our business will suffer. In addition, a subscription model creates certain risks related to the timing of revenue recognition and potential reductions in cash flows. If we fail to further enhance our brand or maintain our existing strong brand awareness, our ability to expand our client base may be impaired and our financial condition may suffer. We believe that our development of the Thryv brand and maintenance of our existing PYP and IYP brands, including The Real Yellow Pages and Yellowpages. com, is critical to achieving widespread awareness of our existing and future solutions and, as a result, is important to attracting new clients and maintaining existing clients. In the past, our efforts to build our brands have involved significant expenses, and we believe that this investment has resulted in relatively strong brand recognition in the SMB market. Successful promotion and maintenance of our brands will depend largely on the effectiveness of our marketing efforts and on our ability to provide a reliable and useful Thryv platform at competitive prices. Brand promotion activities may not yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, our business could suffer. We may not be able to maintain profitability in the future, and our past performance may not be indicative of our future performance. ~~As of~~ **During the year ended** December 31, ~~2022~~ **2023** , we ~~had an accumulated deficit~~ **generated a net loss** of $ ~~238~~ **259** . ~~9~~ **3** million. If we are unable to acquire new clients cost effectively, we may incur net losses **in the future** . **Our** ~~We also expect our~~ expenses ~~to~~ **may** increase in the future due to ~~anticipated increases~~ **additional investment** in ~~our SaaS segment sales, general and administrative expenses, including expenses associated with being a public company,~~ product development ~~and management expenses~~ or expenses related to acquisitions, which could impact our ability to sustain profitability in the future. Additionally, while the majority of our revenue in fiscal years **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ came from advertising services provided in local classified print directories and digital marketing solutions, such as search, display and social media, future development of new services may initially have a lower profit margin than our existing services, which could have a material adverse effect on our business, financial condition and results of operations. As a result, we may not be able to maintain profitability in the future. The continuing decline in the use of print directories and in our ability to attain new or renewed print agreements continues to adversely affect our business. Overall references to print directories, including our Print Yellow Pages, in the United States have been declining since the early 2000s. This decline is primarily attributable to increased use of internet search providers, as well as the proliferation of large retail stores for which consumers and businesses may not reference the print directories. While we expect the decline in usage will continue to negatively affect advertising sales associated with our traditional print business, a significant further decline in usage of our print directories could impair our ability to maintain or increase advertising prices, which may cause businesses to reduce or discontinue purchasing advertising in our print directories. Either or both of these factors could adversely affect our revenue and have a material adverse effect on our business, financial condition, results of operations and prospects. These trends have resulted in declining print advertising sales, and we expect these trends to continue in ~~2022~~ **2024** and beyond. In addition, a portion of the revenue we report each period results from the recognition of deferred revenue relating to agreements entered into during previous periods. A decline in new or renewed agreements in any period may not be immediately reflected in our reported financial results for that period but may result in a decline in our revenue in future periods. If we were to experience significant downturns in agreements and renewals, our reported financial results might not reflect such downturns until future periods. Providing technology- based marketing solutions to small businesses is an evolving market that may not grow as quickly as we anticipate, or at all. The value of our solutions is predicated upon the assumption that online and mobile presence, acquisition and retention marketing and the ability to connect and interact with consumers online and on mobile devices are, and will continue to be, important and valuable strategies for small businesses to enhance their abilities to establish, grow, manage and market their businesses. If this assumption is incorrect, or if small businesses do not, or perceive that they do not, derive sufficient value from our solutions, then our ability to retain existing clients, attract new clients and grow our revenues could be adversely affected. If we are not able to provide new or enhanced functionality and features, it could have a material adverse effect on our business, financial condition and results of operations. We may not be able to successfully provide new or enhanced functionality and features for our existing solutions that achieve market acceptance or that keep pace with rapid technological developments. For example, we are focused on enhancing the connectivity and integration of add- ons to our Thryv platform to expand its utility for our SMB clients. The success of new or enhanced functionality and features depends on several factors, including their overall effectiveness and the timely completion, introduction and market acceptance of the enhancements, new features, or applications. Furthermore, we depend on both internal development and our third- party software partners to develop and implement their own enhancements, new features, or applications that can then be integrated into the Thryv platform. Failure in either of these areas may significantly impair our revenue growth. In addition, because our solutions are designed to operate on a variety of systems, we will need to continuously modify and enhance our solutions to keep pace with changes in internet- related hardware, iOS and other software and communication, browser and database technologies. We may not be successful in developing these new or enhanced functionalities and features, or in bringing them to market in a timely fashion. If we do not continue to innovate and deliver high- quality, technologically advanced solutions, we will not remain competitive, which could have a material adverse effect in our business, financial condition and results of operations. Any failure of our Thryv platform and add- ons to operate effectively with future network platforms and technologies could reduce the demand for our Thryv platform and add- ons, result in client dissatisfaction and have a material adverse effect on our business, financial condition and results of operations. We may be unsuccessful in identifying and acquiring suitable acquisition candidates or in integrating any businesses that are or have been acquired. This could have a material adverse effect on our business, financial condition and results of operations. One of our key growth strategies is to acquire other businesses or to invest in complementary companies, channels, platforms or technologies that we believe could expand our client base or otherwise offer growth opportunities into new markets. We may also in the future seek to acquire or invest in other businesses, applications or technologies that operate in different industries than ours if we determine that an attractive investment or acquisition opportunity has been presented to us. We may not be able to identify appropriate acquisition candidates or, if we do, we may not be able to negotiate successfully the terms of an acquisition, finance the acquisition or integrate the acquired business effectively and profitably into our existing operations. Acquired businesses may not provide us with successful client conversions, achieve the levels of revenue or profitability anticipated, or otherwise perform as expected. In addition, the pursuit of potential acquisitions may divert the attention of management and cause us to incur various expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. Acquisitions involve special risks, including the potential assumption of unanticipated liabilities and contingencies that could have a material adverse effect on our financial condition and difficulties in integrating acquired businesses. In addition, we may be unable to successfully integrate businesses that we have acquired or may acquire in the future. The integration of an acquisition involves a number of factors that may affect our operations. These factors include: • difficulties in converting the clients of the acquired business onto our Thryv platform; • difficulties in converting the clients of the acquired business to our Marketing Services offerings or to our contract terms; • diversion of management' s attention; • incurrence of significant amounts of additional debt; • creation of significant contingent earn out obligations or other financial liabilities; • increased expenses, including, but not limited to, legal, administrative and compensation expenses; • difficulties in the integration of acquired operations, including the integration of data and information solutions or other technologies; • entry into unfamiliar segments; • adverse effects to our existing business relationships with business partners and clients as a result of the acquisition; • difficulties retaining key employees and maintaining the key business and client relationships of the businesses we acquire; • cultural challenges associated with integrating employees from the acquired company into our organization; • unanticipated problems or legal liabilities; and • tax and accounting issues. A failure to integrate acquisitions efficiently, may be disruptive to our operations and adversely impact our revenues or increase our expenses. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could increase our interest payments. To finance any acquisitions, we may choose to issue shares of our common stock as consideration, which would dilute the ownership of our stockholders. If the price of our common stock is low or volatile, we may not be able to acquire other companies using our stock as consideration. Alternatively, it may be necessary for us to raise additional funds for acquisitions through public or private financings. Additional funds may not be available on terms that are favorable to us, or at all. We also may divest or sell assets or businesses that we acquire, and we may have difficulty selling such assets or businesses on acceptable terms or in a timely manner. This could result in a delay in the achievement of our strategic objectives, additional expense, or the sale of such assets or businesses at a price or on terms that are less favorable than we anticipated. In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually. In the event that the book value of goodwill or other intangible assets is impaired, any such impairment would be charged to earnings in the period of impairment. In the future, if our acquisitions do not yield expected returns, we may be required to record charges based on this impairment assessment process, which could have a material adverse effect on our financial condition and results of operations. Expansion of our operations to, and offering our services in, markets outside of the U. S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. We are continuing to expand our operations by offering our products and services in Australia **, New Zealand** and Canada, and may expand to additional markets outside of the U. S. in the future, which increases our exposure to the inherent risks of doing business in international markets. Depending on the market, these risks include those relating to: • changes in local economic environment; • political instability; • trade regulations; • intellectual property legal protections; • procedures and actions affecting pricing, reimbursement and marketing of our products and services; • fluctuations in foreign currency rates; • additional U. S. and foreign taxes; • changes in local laws or regulations, or interpretation or enforcement thereof; • potentially longer ramp- up times for offering our services; and • data and privacy regulations. Issues relating to the failure to comply with applicable non- U. S. laws, requirements or restrictions may also impact our domestic business and / or raise scrutiny on our domestic practices. Additionally, some factors that will be critical to the success of our international business and operations will be different than those affecting our domestic business and operations. For example, conducting international operations requires us to devote significant management resources to implement our controls and systems in new markets, to comply with local laws and regulations, including to fulfill financial reporting requirements, and to overcome the numerous new challenges inherent in managing international operations. Any expansion of our international operations through acquisitions or through organic growth could increase these risks. Additionally, while we may invest material amounts of capital and incur significant costs in connection with the growth and development of our international operations, including to start up or acquire new businesses, we may not be able to operate them profitably on the anticipated timeline, or at all. These risks could have a material adverse effect on our business, results of operations, financial condition, cash flows and could materially harm our reputation. We have recorded impairment charges in the past and may record impairment charges in the future. We are required, at least annually, or as facts and circumstances warrant, to test goodwill to determine if impairment has occurred. We are also required to test certain other assets for impairment as facts and circumstances warrant. Impairment may result from any number of factors, including adverse changes in assumptions used for valuation purposes, such as sales, operating margins, growth rates and discount rates based on budgets, business plans, economic projections, anticipated future cash flows and marketplace data or other factors. If the testing indicates that impairment has occurred, we are required to record a non- cash impairment charge. During the year ended December 31, ~~2022~~ **2023**, the secular decline in industry demand for print services **,** ~~along with~~ the trending decline in our Marketing Services client base ~~and~~ **,** competition in the consumer search and display space **, and the Company' s strategic decision during the fourth quarter of 2023 to accelerate the conversion of clients from its digital Marketing Services solutions to its SaaS solutions** adversely impacted certain of the assumptions used to estimate the discounted future cash flows of some of our reporting units for purposes of performing our ~~interim~~ goodwill impairment test. As a result, we recognized ~~a~~ **total** non- cash impairment ~~charge~~ **charges** of $ ~~102~~ **268** . ~~0~~ **8** million in the fourth quarter of ~~2022~~ **2023** to reduce goodwill for our Thryv U. S. Marketing Services segment. As of December 31, ~~2022~~ **2023** , we had $ ~~566~~ **302** . ~~0~~ **4** million of goodwill, with $ ~~288~~ **19** . ~~6~~ **8** million related to the Thryv U. S. Marketing Services segment, $ 218. 9 million related to the Thryv U. S. SaaS segment and $ ~~58~~ **63** . ~~5~~ **7** million related to the Thryv International Marketing Services segment. The expected continued secular decline in industry demand for print services, increased competition, changes in valuation assumptions or other factors could result in impairment charges in the future, which could have a material adverse effect on our results of operations **. The Company' s strategic decision to convert clients from its digital Marketing Services to its Marketing Center platform could result in higher levels of client churn and have an adverse effect on the Company' s results of operations and key business metrics. During the fourth quarter of 2023, the Company made a strategic decision to accelerate the conversion of its digital Marketing Services solutions clients to its SaaS Marketing Center platform at no cost to these clients. Over time, the conversion of these clients will decrease the revenue of the Thryv U. S. and International Marketing Services segments and increase the revenue of the Thryv U. S. and International SaaS segments. While the Company believes these clients are receiving a valuable, no- cost upgrade to Marketing Center and will be more likely to subscribe for additional features of the Thryv Platform in the future, the accelerated conversion of these clients could result in these clients cancelling their services with the Company at a higher rate than the Company has historically experienced, which could have a materially adverse effect on the Company' s results of operations. Furthermore, the conversion of these clients could have an adverse effect on certain of the Company' s key business metrics, such as a reduction in total clients and reduced SaaS monthly ARPU. Any of these negative effects could have a material adverse effect on our business, results of operations and financial condition** . Risks Related to Strategic Relationships and Third Parties We have agreements with several major internet search engines and search sites. The termination or material alteration of one or more of these agreements could adversely affect our business. We have agreements with several internet search engines and search or directory websites providers, which makes our content easier for search engines to access and provides a greater response for our clients to general searches on the internet. Under the terms of the agreements with these search providers, we place our clients' advertisements on major search engines and other third- party search and directory sites and print directories, which give us access to a higher volume of traffic than we could generate on our own, without relinquishing the client relationship. The search engines benefit from our outside and inside sales force and full- service capabilities for attracting and serving local advertisers that might not otherwise transact business with search engines. Other third- party directories and search sites benefit from our payment for traffic from their sites to our advertisers. The termination or material alteration of one or more of our agreements with major search engines or third- party providers could adversely affect our business. Our growth depends in part on the success of our strategic relationships with third parties. In order to grow our business, we anticipate that we will continue to depend on the continuation and expansion of relationships with vendors and other third parties. In our SaaS segment, such third parties include third- party service providers (i. e., software developers and hosting services), sales channel partners and technology and content providers. In our U. S. and international Marketing Services segments, we depend upon third parties to print, publish and distribute our directories. Identifying partners and negotiating and documenting relationships with them requires significant time and resources. In addition, the third parties we partner with may not perform as expected under our agreements, and we may have disagreements or disputes with such third parties, which could negatively affect our brand and reputation. Additionally, we rely on the expansion of our relationships with our third- party providers as we enhance our service offerings. While some of our agreements with third parties include exclusivity provisions, we may lose the exclusivity or other protections we have in force due to our own performance or efforts by our competitors or business problems these third parties encounter. Typically, our agreements are non- exclusive and do not prohibit our third- party providers from working with our competitors. If we are unsuccessful in establishing or maintaining our relationships with third- party service providers, our ability to compete in the marketplace or to grow our revenues could be impaired, which could have a material adverse effect on our business, financial condition and results of operations. We rely on third- party service providers for many aspects of our business. If one or more of our third- party service providers experiences a disruption, goes out of business, experiences a decline in quality, or terminates its relationship with us, we could experience a material adverse effect on our business, financial condition or results of operations. We rely on third- party service providers for many integral aspects of our business. A failure on the part of any of our third- party service providers to fulfill its contracts with us could result in a material adverse effect on our business, financial condition or results of operations. We depend on our third parties for many services, including, but not limited to: Development and delivery of Thryv modules We utilize third- party service providers for a variety of components and feature sets and related intellectual property underlying or incorporated in the Thryv platform. Additionally, we utilize third- party service providers for the development and maintenance of our Thryv platform, as well as hosting the Thryv platform itself through a third party' s relationship with a cloud services provider. We also rely on a third- party solution for order entry and monthly payment processing for Thryv orders. Any decline in the quality of, or delay in delivery of, modules or other software produced by such third- party service providers could result in reduced revenue, cause an increase in operational costs to switch providers, subject us to liability, or cause clients to fail or be unable to renew their subscriptions, any of which could materially adversely affect our business. Typically, our license agreements with third- party service providers are not exclusive and / or do not extend to all territories in which we may wish to do business in the future, and in certain cases, our third- party service providers have the right to distribute features developed for our Thryv platform in their own software offerings, which could adversely impact select functionality of our platform as well as adversely affect our business, our ability to compete with our competitors, and our ability to generate revenue. If our agreements with our third- party service providers expire or are terminated, we may face loss of functionality or costs associated with replacing the relevant technology. Such expiration or termination may also disrupt our business, leading to liability to customers or loss of business. Upkeep of data centers We host our consumer- facing internet sites, which are a major source of low- cost fulfillment traffic for our clients and serve most of our digital service clients from data centers operated by third- party providers, primarily Amazon Web Services. While we control and have access to our servers and all of the components of our network that are located in our external data centers, we do not control the operation of these facilities. The owners of our data center facilities have no obligation to renew their agreements with us on commercially reasonable terms, or at all. These third parties may also seek to cap their maximum contractual liability, resulting in Thryv being financially responsible for losses caused by their actions or omissions. Additionally, we host our internal systems through data centers that we operate and lease in Texas and Virginia. If we are unable to renew our agreements with our third- party providers or to renew our leases on commercially reasonable terms, or if one of our data center operators is acquired, we may be required to transfer our servers and other infrastructure to new data center facilities, and we may incur significant costs and possible service interruption in connection with any such transfer. Both our third- party data centers and data centers that we lease and operate are subject to break- ins, sabotage, intentional acts of vandalism and other misconduct. Any such acts could result in a breach of the security of our or our clients' data. Problems faced by our third- party data center locations, with the telecommunications network providers with whom we or they contract, or with the systems by which our telecommunications providers allocate capacity among their customers, including us, could adversely affect the experience of our clients. We have periodically experienced service disruptions in the past, and we may experience interruptions or delays in our service in the future. Our third- party data centers' operators could also decide to close their facilities without adequate notice. In addition, any financial difficulties, such as bankruptcy, faced by our third- party data center operators or any of the third- party service providers with whom we or they contract may have negative effects on our business, the nature and extent of which are difficult to predict. Additionally, if our data centers are unable to keep up with our growing needs for capacity, this could adversely affect the growth of our business. While we maintain both redundancy and disaster recovery protocols, any changes in third- party service levels at our data centers or any security breaches, errors, defects, disruptions, or other performance problems with our Thryv platform and add- ons could adversely affect our reputation, damage our clients' stored files, result in lengthy interruptions in our services, or otherwise result in damage or losses to our clients for which they may seek compensation from us. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data center services we use. Interruptions in our services might reduce our revenues, cause us to issue refunds to clients for prepaid and unused subscription services, subject us to potential liability, or adversely affect our renewals. Monitoring of changes to applicable laws We and our third- party providers must monitor for any changes or updates in laws that are applicable to the solutions that we or our third- party providers provide to our clients. In addition, we are reliant on our third- party providers to modify the solutions that they provide to our clients to enable our clients to comply with changes to such laws and regulations. If our third- party providers fail to reflect changes or updates in applicable laws in the solutions that they provide to our clients in a timely manner, we could be subject to negative client experiences, harm to our reputation, loss of clients, claims for any fines, penalties or other damages suffered by our clients and other financial harm. Printing of directories In our U. S. and international Marketing Services segments, we depend on third parties to supply paper and to print, publish and distribute our directories. In connection with these services, we rely on the systems and services of our third- party service providers, their ability to perform key functions on our behalf in a timely manner and in accordance with agreed levels of service and their ability to attract and retain sufficient qualified personnel to perform services on our behalf. There are a limited number of these providers with sufficient scale to meet our needs. A failure in the systems of one of our key third- party service providers, or their inability to perform in accordance with the terms of our contracts or to retain sufficient qualified personnel, could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flow. If we were to lose the services of any of our key third- party providers, we would be required to hire and train sufficient personnel to perform these services or to find an alternative service provider. In some cases, it would be impractical for us to perform these functions, including the printing of our directories. In the event we were required to perform any of the services that we currently outsource, it is unlikely that we would be able to perform them without incurring additional costs. A failure on the part of any of our third- party service providers could result in a material adverse effect on our business, financial condition and results of operations. If we, or our third- party providers, do not keep pace with rapid technological changes and evolving industry standards, we may not be able to remain competitive, and the demand for our services may decline. The markets in which we operate, particularly in our SaaS segment, are characterized by the following factors: • changes due to rapid technological advances; • additional qualification requirements related to technological challenges; and • evolving industry standards and changes in the regulatory and legislative environment. Our future success will depend upon our ability to anticipate and to adapt to changes in technology and industry standards and to effectively develop, introduce, market and gain broad acceptance of new product and service enhancements incorporating the latest technological advancements. Furthermore, we depend on our third- party providers to also keep pace with rapid technological changes and evolving industry standards. If our third- party providers are unable to adapt to technological changes, this could also have a material adverse effect on our ability to retain or increase our client subscription base or cause us to incur additional operational costs involved with switching third- party providers. If our competitors' products, services, or technologies become more accepted than our Thryv platform and add- ons, if they are successful in bringing their products or services to market earlier than ours, or if their products or services are more technologically capable than ours, it could have a material adverse effect on our business, financial condition and results of operations. Our competitors may also establish cooperative relationships among themselves or with third parties that may further enhance their product offerings or resources. In addition, some of our competitors may offer their products and services at a lower price. If we are unable to achieve our target pricing levels or if we experience significant pricing pressures, it could have a material adverse effect on our business, financial condition and results of operations. If we do not maintain the compatibility of our Thryv platform with third- party applications that our clients use in their businesses, our revenue will decline. A percentage of our clients choose to integrate our platform with certain capabilities provided by third-party software platforms created by our third- party providers and application providers using application programming interfaces (" APIs "), either as publicly available no- fee licenses or through fee- based partnership arrangements. The functionality and popularity of our Thryv platform depends, in part, on our ability to integrate our platform with third- party applications and platforms, including but not limited to CRM, CMS, omnichannel email and text marketing automation, accounting, e- commerce, call center, analytics and social media sites that our clients use and from which they obtain data. Third- party providers of applications and APIs may change the features of their applications and platforms, restrict our access to their applications and platforms, terminate or elect not to renew our partnership agreements or otherwise alter the terms governing use of their applications and APIs and access to those applications and platforms in an adverse manner. Such changes could functionally limit or terminate our ability to use these third- party applications and platforms in conjunction with our platform, which could adversely impact our offerings and harm our business. If we fail to integrate our Thryv platform with new third- party applications and platforms that our clients use for marketing, sales or services purposes, we may not be able to offer the functionality that our clients need, which would adversely impact our ability to generate revenue and harm our business. We rely on data provided by third parties, the loss of which could limit the functionality of our platform and disrupt our business. The success of our services depends on our ability to deliver data to both consumers and our clients, such as website searches, client leads and social media updates. Certain of this data is provided by unaffiliated third parties, such as business data aggregators (e. g. doctor, hotel or other data aggregators) and vertical industry organizations, to supplement our own business listings for our search sites. Data we provide our clients about their presence on other internet sites and social media is also provided by third parties. Some of this data is provided to us pursuant to third- party data- sharing policies and terms of use, under data- sharing agreements by third- party providers or by client consent. In the future, any of these third parties could change its data- sharing policies, including making them more restrictive, or alter its algorithms that determine the placement, display and accessibility of search results and social media updates, any of which could result in the loss of, or significant impairment to, our ability to collect and provide useful data to our clients. These third parties could also interpret our or our third- party service providers' data collection policies or practices as being inconsistent with their policies, which could result in the loss of our ability to collect this data for our clients. Any such changes could impair our ability to deliver data to our clients and could adversely impact select functionality of our platform, impairing the return on investment that our clients derive from using our solution, as well as adversely affecting our business and our ability to generate revenue. Risks Related to the Economy, Disasters, **Epidemics,** ~~COVID- 19 Pandemic~~ and Other External Factors Adverse economic conditions may have a material adverse effect on our business, financial condition and results of operations. Our business depends on the overall demand for marketing solutions, especially business management software by SMBs, and on the economic health of our current and prospective clients. Past financial recessions have resulted in a significant weakening of the economy in North America and globally, a reduction in employment levels, a reduction in prevailing interest rates, more limited availability of credit, a reduction in business confidence and activity and other difficulties. Such difficulties have affected, and any current or future adverse economic conditions may continue to affect, one or more of the industries to which we sell our offerings. In addition, there has been pressure to reduce government spending in the United States, and any tax increases and spending cuts at the federal level might reduce demand for our offerings from organizations that receive funding from the U. S. government and could negatively affect the U. S. economy, which could further reduce demand for our offerings. Any of these events could have a material adverse effect on our business, financial condition and results of operations, and spending levels for our offerings may not increase following any recovery. Public health epidemics or outbreaks may reduce or delay spending on day- to- day purchases, which could result in a reduction in the level of business conducted by our clients. As a result, our clients may reduce their spending on marketing services and business operations, which could have a material adverse effect on our business, financial condition and results of operations. Public health epidemics or outbreaks could adversely impact our business. ~~In December 2019, COVID- 19 emerged in Wuhan, Hubei Province, China and has since spread, causing significant disruption to the global economy.~~ The extent to which ~~the coronavirus~~ **a public health epidemic or outbreak** impacts our operations will depend on future developments, ~~which are highly uncertain and cannot be predicted with confidence,~~ including the duration of the outbreak, ~~new information which may emerge concerning~~ the severity of the ~~coronavirus~~ **outbreak** and the actions to contain the ~~coronavirus~~ **outbreak** or treat its impact, among others. **Depending on** ~~Despite quarantining and adjustments of work schemes, our employees or staff have been, and may continue to be affected by~~ the ~~coronavirus epidemic~~ **severity of the outbreak**, ~~and~~ we may experience significant future disruptions to our business operations, which may adversely affect our service quality and thereby our business reputation. ~~Certain states may also ban the solicitation for new clients during a public health epidemic, which could result in our inability to acquire new clients.~~ In addition, the ~~continued~~ spread and ~~increasing~~ impact of ~~the coronavirus in the United States and~~ - **an** ~~Australia~~ **outbreak** could adversely impact demand for our clients' services or the level of business conducted by our clients. Such conditions could affect the rate of spending on our solutions and could adversely affect our clients' ability or willingness to purchase our solutions; the timing of our current or prospective clients' purchasing decisions; pressure for pricing discounts or extended payment terms; reductions in the amount or duration of clients' subscription contracts; or increase client churn, all of which could adversely affect our future sales, operating results and overall financial performance. If ~~the pandemic~~ **an outbreak** has a continued and substantial impact on the ability of our clients to purchase our solutions, our results of operations and overall financial performance may be harmed. In **addition** ~~response to the pandemic~~, **to** ~~we implemented a work from home policy, with the majority of our employees conducting their~~ -- **the extent** ~~work outside of our physical offices. We currently intend to continue our work from home policy indefinitely, and~~ - **an** ~~we~~ **outbreak adversely affects our business and financial results, it may also** have ~~taken steps to enable~~ the ~~majority~~ **effect** of **heightening many of the** ~~our employees to work from home permanently. All employees were provided or already possessed a company laptop and access to all necessary systems to perform their~~ - **other** ~~essential job functions. It~~ **risks described in the risk factors included herein, or may affect our operating and financial results in a manner that** is ~~more difficult for~~ **not presently known to** us ~~to manage and monitor our employees in remote settings, and we have and may continue to expend more management time and incur more costs to do so. Employees working from home may also face additional distractions that negatively affect their performance. If our employees are not able to effectively work remotely on a permanent basis, this may negatively impact our business, financial condition and results of operations. Our long- term work from home policy could also increase our cyber- security risk, create data accessibility concerns and make us more susceptible to communication disruptions, any of which could adversely impact our business operations. At this point, the extent to which the pandemic may impact our financial condition or results of operations, including our long- range plan, is uncertain. Even after the COVID- 19 pandemic has subsided, we may experience significant impacts to our business as a result of the economic impact of the COVID- 19 pandemic, including any economic downturn or recession or other long- term effects that have occurred or may occur in the future~~. Our inability to successfully recover should we experience a disaster or other business continuity problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships or legal liability. While we and our third- party providers host our Thryv platform and serve most of our digital clients on cloud services, should we experience a local or regional disaster or other business continuity problem, such as an earthquake, hurricane, flood, terrorist attack, pandemic, security breach, cyber- attack, power loss, telecommunications failure or other natural or man- made disaster, our ability to continue to operate will depend, in part, on the availability of our personnel, our office facilities and the proper functioning of our computer, telecommunication and other related systems and operations. In such an event, we could experience operational challenges with regard to particular areas of our operations, such as key executive officers or personnel that could have a material adverse effect on our business. We regularly assess and take steps to improve our existing business continuity plans and key management succession. However, a disaster on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to successfully recover should we experience a disaster or other business continuity problem, could materially interrupt our business operations and result in material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships or legal liability. Risks Related to Human Capital We depend on our senior management team, and the loss of one or more key employees or an inability to attract and to retain highly skilled employees could have a material adverse effect on our business, financial condition and results of operations. Our success depends largely upon the continued services of our key executive officers. Specifically, we believe that the continued employment of our CEO and Chairman, Joseph A. Walsh, will play an important part in our success. We also rely on our leadership team in the areas of marketing, sales, services and general and administrative functions and on mission-critical individual contributors in all such areas. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. We do not have employment agreements with most of our executive officers or other key personnel that require them to continue to work for us for any specified period, and, therefore, they could terminate their employment with us at any time. Additionally, we do not maintain key man insurance on any of our executive officers or key employees. The loss of one or more of our executive officers or key employees could have a material adverse effect on our business, financial condition and results of operations. Turnover among our outside and inside sales force or key management could adversely affect our business and the loss of a significant number of experienced key personnel could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flow. Our success also depends on our ability to identify, hire, train and retain qualified sales personnel. To execute our growth plan, we must attract and retain highly qualified personnel. Competition for personnel is intense, including without limitation for individuals with high levels of experience in designing and developing software and internet- related services and senior sales executives. We have, from time to time, experienced, and we expect to continue to experience, difficulty in hiring and retaining employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have. If we hire employees from competitors or other companies, their former employers may attempt to assert that these employees have or that we have breached their legal obligations, resulting in a diversion of our time and resources. In addition, job candidates and existing employees often consider the value of the stock awards they receive in connection with their employment. If the perceived value of our stock awards declines, it may adversely affect our ability to recruit and to retain highly skilled employees. If we fail to attract new personnel or fail to retain and to motivate our current personnel, it could have a material adverse effect on our business, financial condition and results of operations. A portion of our employees are represented by unions. Our business could be adversely affected by future labor negotiations and our ability to maintain good relations with our unionized employees. As of December 31, ~~2022~~ **2023** , ~~294~~ **269** employees, or ~~10~~ **9** % of our employees and ~~26~~ **25** % of our sales force, were represented by unions. In addition, the employees of some of our key suppliers are represented by unions. Work stoppages or slowdowns involving our union- represented employees, or those of our suppliers, could significantly disrupt our operations and increase operating costs, which would have a material adverse effect on our business. The inability to negotiate acceptable terms with the unions could also result in increased operating costs from higher wages or benefits paid to union employees or replacement workers. A greater percentage of our work force could also become represented by unions. If a union decides to strike and others choose to honor its picket line, it could have a material adverse effect on our business. Legal, Tax, Regulatory and Compliance Risks Our solutions and our business are subject to a variety of U. S. and international laws and regulations, including those regarding privacy, data protection and information security. Any failure by us or our third- party service providers, as well as the failure of our platform or services, to comply with applicable laws and regulations could have a material adverse effect on our business, financial condition and results of operations. We and our clients are subject to a variety of U. S. and international laws and regulations, including regulation by various federal government agencies, including the U. S. Federal Communication Commission (“ FCC ”) (telemarketing and text marketing), the U. S. Federal Trade Commission (“ FTC ”) (advertising laws, Controlling the Assault of Non- Solicited Pornography and Marketing (“ CAN- SPAM ”) Act compliance), U. S. Department of Health and Human Services (Health Insurance Portability and Accountability Act of 1996 (as amended and together with its implementing regulations, “ HIPAA ”) compliance, and state and local agencies. The Telephone Consumer Protection Act governs our ability to offer text marketing services to our clients and recorded calls. Increasingly, though inconsistently, both state and federal courts are finding obligations on businesses – even small ones – to make their websites and any videos posted online fully accessible to those with disabilities under both the ADA and various states’ laws, which impacts our website and video offerings. The United States and various state and foreign governments have adopted or proposed limitations on, or requirements regarding, the collection, distribution, use, security and storage of personally identifiable information (“ PII ”) of individuals; and the FTC and many state attorneys general are applying federal and state consumer protection laws to impose standards on the online collection, use and dissemination of data. Self- regulatory obligations, other industry standards, policies and other legal obligations may apply to our collection, distribution, use, security, or storage of PII or other data relating to individuals. In addition, most states and some foreign governments have enacted laws requiring companies to notify individuals of data security breaches involving certain types of PII. These obligations may be interpreted and applied in an inconsistent manner from one jurisdiction to another and may conflict with one another, other regulatory requirements, or our internal practices. We expect that there will continue to be new proposed laws, regulations and industry standards concerning privacy, data protection and information security in the United States, Canada, **Australia, New Zealand,** the European Union (the “ E. U ”) **,** and other jurisdictions, and we cannot yet determine the impact such future laws, regulations and standards may have on our business. For example, in May 2018, the General Data Protection Regulation came into effect, which brought with it a complete overhaul of E. U. data protection laws: the new rules superseded then- current E. U. data protection legislation, imposed more stringent E. U. data protection requirements and provided for greater penalties for non- compliance. In addition, the California Consumer Protection Act of 2018 (“ CCPA ”) became effective January 1, 2020, with implications for consumer privacy in the U. S. that reach beyond California. HIPAA, as amended by Health Information Technology for Economic and Clinical Health Act, affects our ability to provide our solutions to medical and healthcare businesses that are Covered Entities or Business Associates under those laws. New York’ s SHIELD Act may impact our ability to offer our services to financial businesses due to its compliance requirements for data collection and security. Changing definitions of what constitutes PII may also limit or inhibit our ability to operate or to expand our business, including limiting strategic partnerships that may involve the sharing of data, especially in the context of the digital advertising ecosystem. Also, some jurisdictions require that certain types of data be retained on localized servers within these jurisdictions, which could impact our ability to make solutions that impact all our clients’ needs. Evolving and changing definitions of what constitutes PII within the United States, Canada, Australia **, New Zealand** , the European Union and elsewhere, especially relating to the classification of internet protocol, or IP addresses, machine or device identification numbers, location data and other information, as well as the use of PII for machine learning process or algorithm movement may limit or inhibit our ability to operate or to expand our business. Future laws, regulations, standards and other obligations could impair our ability to collect or to use information that we utilize to provide email delivery and marketing services to our clients, thereby impairing our ability to maintain and to grow our client base and to increase revenue. Future restrictions on the collection, use, sharing, or disclosure of our clients’ data or additional requirements for express or implied consent of clients for the use and disclosure of such information may limit our ability to develop new services and features. Our failure to comply with applicable laws, directives and regulations may result in enforcement action against us, including fines and imprisonment, or actions against our clients who may not fully understand the impact of these laws on their businesses and damage to our reputation, any of which may have an adverse effect on our business and operating results. The costs of compliance with and other burdens imposed by, such laws and regulations that are applicable to us or to the businesses of our clients, may limit the use and adoption of our Thryv platform and add- ons and reduce overall demand, or lead to significant fines, penalties, or liabilities for any non- compliance with such privacy laws. Furthermore, privacy concerns may cause our clients' workers and our clients' customers to resist providing PII necessary to allow our clients to use our Thryv platform and add- ons effectively. Furthermore, if the processing of PII were to be curtailed in this manner, our solutions would be less effective, which may reduce demand for our Thryv platform and add- ons, which could have a material adverse effect on our business, financial condition and results of operations. Even the perception of privacy concerns, whether or not valid, may inhibit market adoption of our Thryv platform and add- ons in certain industries. Any failure or perceived failure by us to comply with U. S., Australia, E. U., or other foreign privacy or security laws, regulations, policies, industry standards, or legal obligations, or any security incident that results in the unauthorized access to, or acquisition, release, or transfer of, PII may result in governmental enforcement actions, litigation, fines and penalties, or adverse publicity and could cause our clients to lose trust in us, which could harm our reputation and have a material adverse effect on our business, financial condition and results of operations. If our service is perceived to cause, or is otherwise unfavorably associated with, violations of privacy or data security requirements, it may subject us or our clients to public criticism and potential legal liability. Public concerns regarding PII processing, privacy and security may cause some of our clients' end- users to be less likely to visit their websites or otherwise interact with them. If enough end- users choose not to interact with our clients, our clients could stop using our platform. This, in turn, may reduce the value of our services and slow or eliminate the growth of our business. Existing and potential privacy laws and regulations concerning privacy and data security and increasing sensitivity of consumers to unauthorized processing of PII may create negative public reactions to technologies, products and services, such as ours. Further, the Biden administration may enact comprehensive tax reform or other regulatory changes, which may have an adverse impact to our effective tax rate or other aspects of our business. Industry- specific regulation and other requirements and standards are evolving and unfavorable industry- specific laws, regulations, interpretive positions or standards could harm our business. We maintain clients in a variety of industries, including healthcare, financial services, the public sector and telecommunications. Regulators in certain industries have adopted, and may in the future adopt, regulations or interpretive positions regarding the use of cloud computing and other outsourced services. The costs of compliance with, and other burdens imposed by, industry- specific laws, regulations and interpretive positions may limit our clients' use and adoption of our services and reduce overall demand for our services. Compliance with these regulations may also require us to devote greater resources to support certain clients, which may increase costs and lengthen sales cycles. For example, some financial services regulators have imposed guidelines for use of cloud computing services that mandate specific controls or require financial services enterprises to obtain regulatory approval prior to outsourcing certain functions. If we are unable to comply with these guidelines or controls, or if our clients are unable to obtain regulatory approval to use our services where required, our business may be harmed. In addition, an inability to satisfy the standards of certain voluntary third- party certification bodies that our clients may expect, such as an attestation of compliance with the New York SHIELD Law, CCPA, Payment Card Industry (" PCI ") Data Security Standards, may have an adverse impact on our business and results. Furthermore, we and our clients in the healthcare industry are regulated by HIPAA, which establishes privacy and security standards that limit the use and disclosure of protected health information (" PHI ") and requires the implementation of administrative, physical and technical safeguards to ensure the confidentiality, integrity and availability of individually identifiable health information in electronic form, as well as breach notification procedures for breaches of PHI and penalties for violation of HIPAA' s requirements for entities subject to its regulation. We work to maintain compliance with the relevant industry- specific certifications or other requirements or standards relevant to our clients, but if in the future we are unable to achieve or maintain such certifications, requirements or standards, it may harm our business and adversely affect our results. Further, in some cases, industry- specific laws, regionally- specific, or product- specific laws, regulations, or interpretive positions may also apply directly to us as a service provider. The interpretation of many of these statutes, regulations and rulings is evolving in the courts and administrative agencies and an inability to comply may have an adverse impact on our business and results. Any failure or perceived failure by us to comply with such requirements could have an adverse impact on our business. For example, there are various statutes, regulations and rulings relevant to the direct email marketing and text- messaging industries, including the CAN- SPAM Act, Telephone Consumer Protection Act (" TCPA ") and related FCC orders. The TCPA and FCC rulings impose significant restrictions on the ability to utilize telephone calls and text messages to mobile telephone numbers as a means of communication, when the prior express consent of the person being contacted has not been obtained or proof of such consent not properly maintained. We may in the future be subject to one or more lawsuits, containing allegations that one of our platforms or clients using our platform violated industry- specific regulations and any determination that we or our clients violated such regulations could expose us to significant damage awards that could, individually or in the aggregate, materially adversely affect our business. Clients may depend on our solutions to enable them to comply with applicable laws, or may not fully comprehend the applicable laws' impact on them when using our solutions, which requires us and our third- party providers to constantly monitor applicable laws and to make applicable changes to our solutions. If our solutions have not been updated to enable the client to comply with applicable laws or we fail to update our solutions on a timely basis, it could have a material adverse effect on our business, financial condition and results of operations. Clients may rely on our solutions to enable them to comply with applicable laws in areas in which the solutions are intended for use. Changes in laws and regulations could require us to make significant modifications to our products or to delay or to cease sales of certain products, which could result in reduced revenues or revenue growth and our incurring substantial expenses and write- offs. Although we believe that our solutions provide us with flexibility to release updates in response to these changes, we cannot be certain that we will be able to make the necessary changes to our solutions and release updates on a timely basis, or at all. In addition, we are reliant on our third- party service providers to modify the solutions that they provide to our clients through our platform to comply with changes to such laws and regulations. The number of laws and regulations that we are required to monitor will increase as we expand the geographic region in which our solutions are offered. When a law changes, we must then test our solutions to meet the requirements necessary to enable our clients to comply with the new law or assist them in not violating the law through typical usage. If our solutions fail to enable a client to comply with applicable laws, or expose a client to legal action via typical usage of our solutions, we could be subject to negative client experiences, harm to our reputation or loss of clients, claims for any fines, penalties or other damages suffered by our client and other financial harm. Additionally, the costs associated with such monitoring implementation of changes are significant. If our solutions do not enable our clients to comply with applicable laws and regulations, or prevent them from exposing themselves to liability through typical usage, it could have a material adverse effect on our business, financial condition and results of operations. Additionally, if we fail to make any changes to our solutions as described herein, which are required as a result of such changes to, or enactment of, any applicable laws in a timely fashion, we could be responsible for fines and penalties implemented by governmental and regulatory bodies. Our payment of fines, penalties, interest, or other damages as a result of our failure to provide compliance services prior to deadlines may have a material adverse effect on our business, financial condition and results of operations. An information security breach of our systems or our data centers operated by third- party providers, the loss of, or unauthorized access to, client information, or a system disruption could have a material adverse effect on our business, market brand, financial condition and results of operations. Our business is dependent on our data processing systems and our data centers operated by third- party providers. We rely on these systems to process, on a daily and time sensitive basis, a large number of complicated transactions. We electronically receive, process, store and transmit data and PII about our clients and our employees, as well as our vendors and other business partners, including names, social security numbers, credit card numbers and financial account numbers. We keep this information confidential. However, our websites, networks, applications and technologies and other information systems have in the past, and will continue to be targeted for sabotage, disruption, or data misappropriation. The uninterrupted operation of our information systems and our ability to maintain the confidentiality of PII and other client and individual information that resides on our systems are critical to the successful operation of our business. While we have information security and business continuity programs, these plans may not be sufficient to ensure the uninterrupted operation of our systems or to prevent unauthorized access to the systems by unauthorized third parties. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. These concerns about information security increase with the mounting sophistication of social engineering. Our network security hardening may be bypassed by phishing and other social engineering techniques that seek to use end- user behaviors to distribute computer viruses and malware into our systems, which might disrupt our delivery of services and make them unavailable and might also result in the disclosure or misappropriation of PII or other confidential or sensitive information. In addition, a significant cyber- security breach could prevent or delay our ability to process payment transactions. Any information security breach in our business processes or of our processing systems has the potential to impact our client information and our financial reporting capabilities, which could result in the potential loss of business and our ability to accurately report financial results. If any of these systems fail to operate properly or become disabled even for a brief period of time, we could potentially miss a critical filing period, resulting in potential fees and penalties, or lose control of client data, all of which could result in financial loss, a disruption of our businesses, liability to clients, regulatory intervention, or damage to our reputation. The continued occurrence of high- profile data breaches provides evidence of an external environment increasingly hostile to information security. If our security measures are breached as a result of third- party action, employee or subcontractor error, malfeasance or otherwise, and, as a result, someone obtains unauthorized access to client data, our reputation may be damaged, our business may suffer, and we could incur significant liability. We may also experience security breaches that may remain undetected for an extended period of time. Techniques used to obtain unauthorized access or to sabotage systems change frequently and are growing increasingly sophisticated. As a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. This environment demands that we continuously improve our design and coordination of security controls throughout the Company. Our Board of Directors (the " Board "), in coordination with the ~~audit~~ **Audit** ~~committee~~ **Committee** ~~thereof~~ , has primary responsibility for overseeing cyber- security risk management and the effectiveness of security controls. The ~~audit~~ **Audit** ~~committee~~ **Committee** ~~of the Board~~ receives quarterly reports identifying major risk area exposures, such as cyber- security. In the event that the ~~audit~~ **Audit** ~~committee~~ **Committee** identifies significant risk exposures, including with respect to cyber- security, it will present such exposure to the Board to assess our risk identification, risk management and mitigation strategies. Despite these efforts, it is possible that our security controls over data, training and other practices we follow may not prevent the improper disclosure of PII or other confidential information. Any issue of data privacy as it relates to unauthorized access to or loss of client and / or employee information could result in the potential loss of business, damage to our market reputation, litigation and regulatory investigation and penalties. There may be other such security vulnerabilities that come to our attention. Our continued investment in the security of our technology systems, continued efforts to improve the controls within our technology systems, business processes improvements and the enhancements to our culture of information security may not successfully prevent attempts to breach our security or unauthorized access to PII or other confidential, sensitive or proprietary information. In addition, in the event of a catastrophic occurrence, either natural or man- made, our ability to protect our infrastructure, including PII and other client data and to maintain ongoing operations could be significantly impaired. Our business continuity and disaster recovery plans and strategies may not be successful in mitigating the effects of a catastrophic occurrence. Insurance may be inadequate or may not be available in the future on acceptable terms, or at all. In addition, our insurance policies may not cover all claims made against us and defending a suit, regardless of its merit, could be costly and divert management' s attention. If our security is breached, if PII or other confidential information is accessed, or if we experience a catastrophic occurrence, it could have a material adverse effect on our business, financial condition and results of operations. Our services present the potential for identity theft, embezzlement, or other similar illegal behavior by our employees and contractors with respect to third parties, which could damage our reputation, lead to legal liabilities and have a material adverse effect on our business, financial condition and results of operations. The services offered by us generally require or involve collecting PII of our clients and / or their employees, such as their full names, birth dates, addresses, employer records, tax information, social security numbers, credit card numbers and bank account information. This information can be used by criminals to commit identity theft, to impersonate third parties, or to otherwise gain access to the data or funds of an individual. If any of our employees or contractors take, convert, or misuse such PII, funds or other documents or data, we could be liable for damages, and our business reputation could be damaged or destroyed. Moreover, if we fail to adequately prevent third parties from accessing PII and / or business information and using that information to commit identity theft, we might face legal liabilities and other losses that could have a material adverse effect on our business, financial condition and results of operations. Any failure to protect our intellectual property rights could impair our ability to protect our proprietary technology and our brand. Various trademarks and other intellectual property rights are key to our business. We rely upon a combination of patent, trademark, copyright and trade secret laws as well as contractual arrangements, including confidentiality or license agreements, to protect our intellectual property rights. However, the steps we take to protect our intellectual property rights may be ineffective or inadequate. We may be required to bring lawsuits against third parties to protect our intellectual property rights. Similarly, we may be party to proceedings by third parties challenging our rights. Lawsuits brought by us may not be successful, or we may be found to infringe the intellectual property rights of others. As the commercial use of the internet further expands, it may be more difficult. In order to protect our trade names, including Thryv ®, Thryv Leads ®, Thryv CompleteSM, Thryv Your Business Smarter ®, The Real Yellow Pages ®, Yellowpages. com ®, Dexknows. com ® ~~and~~ **,** Superpages. com ®, **Yellow. co. nz, Whitepages. co. nz, Finda. co. nz and Tourism. net. nz** from domain name infringement or to prevent others from using internet domain names that associate their businesses with ours, Thryv seeks formal registrations from the USPTO, participates in a tracking service for all Thryv domestic and internal trademarks and works with specialized outside counsel. In the past, we have received claims of material infringement of intellectual property rights. For example, we have had to defend against copyright violation claims on licensed images included in our print and internet directories and websites and patent infringement claims on various technologies and functionalities included in our digital products, services, and internet sites. Related lawsuits, regardless of the outcome, could result in substantial costs and diversion of resources and could have a material adverse effect on our business. In response to the loss of important trademarks or other intellectual property rights, we may be required to spend significant resources to monitor and to protect these rights. Litigation brought to protect and to enforce our intellectual property rights could be costly, time- consuming and distracting to management, with no guarantee of success and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. We also maintain a moderate patent portfolio and work with specialized patent counsel to protect our technology rights. Our failure to secure, protect and enforce our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations. Some of our solutions utilize open source software and any failure to comply with the terms of one or more of these open source licenses could have a material adverse effect on our business, financial condition and results of operations. Some of our solutions, such as Thryv Leads, and client consumer- facing websites and mobile applications, as well as our internal business solutions include software covered by open source licenses, such as GPL- type licenses. Although we provide what we deem to be compliant notices and attributions for the use of any open source code, the terms of various open source licenses have not been interpreted by U. S. courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide our solutions or consumer- facing sites and applications. Our internal development policies and vendor contracts typically prohibit the use of open source licensed code that requires the release of the source code of our proprietary software, but any errors in application of our policies or standard contract language could potentially make our proprietary software available under open source licenses if we combine our proprietary software with open source software in a certain manner. In the event that portions of our proprietary software are determined to be subject to an open source license of a particular type, we could be required to publicly release the affected portions of our source code, to re- engineer all or a portion of our technologies, or otherwise to be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our technologies and services. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third- party commercial software, as open source licensors generally do not provide warranties or controls on the origin of the software. Many of the risks associated with usage of open source software cannot be eliminated and could have a material adverse effect on our business, financial condition and results of operations. Litigation and regulatory investigations aimed at us or resulting from our actions or the actions of our predecessors may result in significant financial losses and harm to our reputation. We face risk of litigation, regulatory investigations and similar actions in the ordinary course of our business, including the risk of lawsuits and other legal actions relating to breaches of contractual obligations or tortious claims from clients or other third parties, fines, penalties, interest, or other damages as a result of erroneous transactions, breach of data privacy laws, or lawsuits and legal actions related to us or our predecessors. Any such action may include claims for substantial or unspecified compensatory damages, as well as civil, regulatory, or criminal proceedings against our directors, officers, or employees, and the probability and amount of liability, if any, may remain unknown for significant periods of time. We may be also subject to various regulatory inquiries, such as information requests and book and records examinations, from regulators and other authorities in the geographical markets in which we operate. A substantial liability arising from a lawsuit judgment or settlement or a significant regulatory action against us or a disruption in our business arising from adverse adjudications in proceedings against our directors, officers, or employees could have a material adverse effect on our business, financial condition and results or operations. Moreover, even if we ultimately prevail in or settle any litigation, regulatory action, or investigation, we could suffer significant harm to our reputation, which could materially affect our ability to attract new clients, to retain current clients and to recruit and to retain employees, which could have a material adverse effect on our business, financial condition and results of operations. Various lawsuits and other claims typical for a business of our size and nature are pending against us, including disputes with taxing jurisdictions. See Part II- Item 8. Note 15, Contingent Liabilities for further detail. We are also exposed to potential future claims and litigation relating to our business, as well as methods of collection, processing and use of personal data. Our clients and users of client data collected and processed by us could also file claims against us if our data were found to be inaccurate, or if personal data stored by us were improperly accessed and disseminated by unauthorized persons. These potential future claims could have a material adverse effect on our consolidated statements of operations and comprehensive **(loss)** income, consolidated balance sheets or consolidated statements of cash flows. We may be sued by third parties for alleged infringement of their proprietary rights. There is considerable patent and other intellectual property development activity in our industry. Our success depends upon our not infringing upon the intellectual property rights of others. Our competitors, as well as a number of other entities and individuals, including parties commonly referred to as " patent trolls, " may own or claim to own intellectual property relating to our industry. From time to time, third parties may claim that we are infringing upon their intellectual property rights, and we may be found to be infringing upon such rights. In the future, others may claim that our Thryv platform and underlying technology infringe or violate their intellectual property rights. However, we may be unaware of the intellectual property rights that others may claim cover some or all of our technology or services. Our history of mergers and acquisitions may cause the appropriate licensing of IP rights of third parties on which we rely to be difficult to trace and prove over time. Any claims or litigation could cause us to incur significant expenses and, if successfully asserted against us, could require that we pay substantial damages or ongoing royalty payments, prevent us from offering our services, or require that we comply with other unfavorable terms. Even if we were to prevail in such a dispute, any litigation regarding our intellectual property could be costly and time- consuming and divert the attention of our management and key personnel from our business operations. Any such events could have a material adverse effect on our business, financial condition and results of operations. Laws and regulations directed at limiting or restricting the distribution of our print directories or shifting the costs and responsibilities of waste management related to our print directories could adversely affect our business. A number of states and municipalities are considering, and a limited number of municipalities have enacted, legislation or regulations that would limit or restrict our ability to distribute our print directories in the markets we serve. The most restrictive laws or regulations would prohibit us from distributing our print directories unless residents affirmatively " opt in " to receive our print directories. Other less restrictive laws or regulations would require us to allow residents to " opt out " of receiving our print directories. In addition, some states and municipalities are considering legislation or regulations that would shift the costs and responsibilities of waste management for discarded directories from municipalities to the producers of the directories. These laws and regulations will likely, if and where adopted, increase our costs, reduce the number of directories that we distribute and negatively impact our ability to market our advertising to new and existing clients. If these or similar laws and regulations are widely adopted, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flow. Our failure to maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes- Oxley Act could have a material adverse effect on our business, financial condition and results of operations. We are required, pursuant to Section 404 of the Sarbanes- Oxley Act of 2002, as amended (the " Sarbanes- Oxley Act ") to provide a report by management on, among other things, the effectiveness of our internal control over financial reporting. In particular, Section 404 requires us to perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting. Our compliance with applicable provisions of Section 404 requires that we incur substantial accounting expense and expend significant management time on compliance- related issues as we implement additional corporate governance practices and comply with reporting requirements. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company' s annual or interim financial statements will not be prevented or detected on a timely basis. We have in the past identified material weaknesses in our internal control over financial reporting, which we were required to report and remediate. If we are unable to maintain adequate internal control over financial reporting, or if in the future we identify material weaknesses, we may be unable to report our financial information accurately on a timely basis, may suffer adverse regulatory consequences or violations of applicable stock exchange listing rules, may breach the covenants under our credit facilities and incur additional costs. There could also be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements, which could cause the price of our common stock to decline and have a material adverse effect on our business, financial condition and results of operations. If we are required to collect sales and use taxes in additional jurisdictions, we might be subject to liability for past sales, and our future sales may decrease. Adverse tax laws or regulations could be enacted or existing laws could be applied to us or our clients, which could increase the costs of our services and otherwise have a material adverse effect on our business, financial condition and results of operations. The application of federal, state and local tax laws to services provided electronically is evolving. New income, sales, use, or other tax laws, statutes, rules, regulations, or ordinances could be enacted at any time (possibly with retroactive effect) and could be applied solely or disproportionately to services provided over the internet. These enactments could adversely affect our sales activity due to the inherent cost increase the taxes would represent and ultimately have a material adverse effect on our results of operations and cash flows. In addition, existing tax laws, statutes, rules, regulations, or ordinances could be interpreted, changed, modified, or applied adversely to us (possibly with retroactive effect), which could require us or our clients to pay additional tax amounts, as well as require us or our clients to pay fines or penalties and interest for past amounts. For example, we might lose sales or incur significant expenses if states successfully impose broader guidelines on state sales and use taxes. A successful assertion by one or more states requiring us to collect sales or other taxes on the licensing of our software or provision of our services could result in substantial tax liabilities for past transactions and otherwise harm our business. Each state has different rules and regulations governing sales and use taxes, and these rules and regulations are subject to varying interpretations that change over time. We review these rules and regulations periodically and, when we believe we are subject to sales and use taxes in a particular state, we may voluntarily engage state tax authorities in order to determine how to comply with that state' s rules and regulations. There is no guarantee that we will not be subject to sales and use taxes or related penalties for past sales in states where we currently believe no such taxes are required. Vendors of services, like us, are typically held responsible by taxing authorities for the collection and payment of any applicable sales and similar taxes. If one or more taxing authorities determines that taxes should have, but have not, been paid with respect to our services, we might be liable for past taxes in addition to taxes going forward. Liability for past taxes might also include substantial interest and penalty charges. Our clients are typically wholly responsible for applicable sales and similar taxes. Nevertheless, clients might be reluctant to pay back taxes and might refuse responsibility for interest or penalties associated with those taxes. If we are required to collect and to pay back taxes and the associated interest and penalties, and if our clients fail or refuse to reimburse us for all or a portion of these amounts, we will incur unplanned expenses that may be substantial. Moreover, imposition of such taxes on us going forward will effectively increase the cost of our services to our clients and might adversely affect our ability to retain existing clients or to gain new clients in the areas in which such taxes are imposed. We may not be able to utilize a significant portion of our net operating loss carryforwards, which could have a material adverse effect on our financial condition and results of operations. As of December 31, ~~2022~~ **2023** , we had state net operating loss carryforwards due to prior period losses, which, if not utilized, will begin to expire in ~~2023~~ **2024** . Utilization of these net operating losses depends on many factors, including our future income, which cannot be assured. These net operating loss carryforwards could expire unused and be unavailable to offset future income tax liabilities, which could have a material adverse effect on our financial condition and results of operations. In addition, under Section 382 of the Internal Revenue Code of 1986, as amended (the " Code "), our ability to utilize net operating loss carryforwards or other tax attributes in any taxable year may be limited if we experience an " ownership change. " A Section 382 " ownership change " generally occurs if one or more stockholders or groups of stockholders who own at least 5 % of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three- year period. Similar rules may apply under state tax laws. Future issuances of our stock could cause an " ownership change. " It is possible that an ownership change could have a material effect on the use of our net operating loss carryforwards or other tax attributes, which could have a material adverse effect on our results of operations and profitability. Operational Risks Cost reduction efforts may be time- consuming and the associated savings may not be realized. We have historically undertaken cost reduction programs, and we continue to evaluate our operations and may initiate further rationalization, depending on market conditions. The key components of our cost reduction program include reducing staff, restructuring our contracts and realizing savings in procurement and logistics. These cost reduction programs could result in our inability to continue to maintain a highly variable cost structure. The full benefits of these programs may be difficult to realize and any short term synergies and savings realized may not be sustainable in the long term. Losses of key personnel could adversely affect our business, financial condition and results of operations. We may provide service level commitments under our client contracts. If we fail to meet these contractual commitments, we could be considered to have breached our contractual obligations, obligated to provide credits, refund prepaid amounts related to unused subscription services or face contract terminations, which could have a material adverse effect on our business, financial condition and results of operations. Our client agreements for our Thryv hosted SaaS may include service level commitments which are measured on a monthly or other periodic basis. If we suffer extended periods of unavailability for our Thryv platform and add- ons, we may be contractually obligated to provide these clients with service credits or refunds for prepaid amounts related to unused subscription services, or we could face contract claims for damages or terminations, which could have a material adverse effect on our business, financial condition and results of operations. In addition, our revenues could be significantly affected if we suffer unscheduled downtime that exceeds the disclosed downtimes under our agreements with our clients. Any extended service outages could have a material adverse effect on our business, financial condition and results of operations. Any failure to offer high- quality or technical support services may adversely affect our relationships with our clients and could have a material adverse effect on our business, financial condition and results of operations. We support our clients through the availability of business advisors prior to and following the onboarding of clients onto our Thryv platform. Once our solutions are deployed, our digital services clients depend on our support organization to resolve technical issues relating to our platform. We may be unable to respond quickly enough to accommodate short- term increases in client demand for support services. We also may be unable to modify the format of our support services to compete with changes in support services provided by our competitors. Increased client demand for these services, without corresponding revenues, could increase costs and have an adverse effect on our results of operations. In addition, our sales process is highly dependent on our business reputation and on positive recommendations from our existing clients. Any failure to maintain high- quality technical support, or a market perception that we do not maintain high- quality support, could adversely affect our reputation and our ability to sell our Thryv platform and add- ons to existing and prospective clients, which could have a material adverse effect on our business, financial condition and results of operations. Aging software and hardware infrastructure may lead to increased costs and disruptions in operations that could adversely impact our financial results. We have risks associated with aging software and hardware infrastructure assets. The age of certain of our assets may result in a need for replacement and higher level of maintenance costs. A higher level of expenses associated with our aging software and hardware infrastructure may have a material adverse effect on our business, financial condition and results of operations. If we or our third- party service providers fail to manage our technical operations infrastructure, our existing clients may experience service outages in our Thryv platform and add- ons, and our new clients may experience delays in the deployment of our Thryv platform and add- ons, which could have a material adverse effect on our business, financial condition and results of operations. We have experienced significant growth in the number of users, transactions and data that our operations infrastructure supports. We seek to maintain sufficient excess capacity in our operations infrastructure to meet the needs of all of our clients. We also seek to maintain excess capacity to facilitate the rapid provision of new client activations and the expansion of existing client activations. In addition, we need to properly manage our technological operations infrastructure in order to support version control, changes in hardware and software parameters and the evolution of our Thryv platform and add- ons. However, the provision of new hosting infrastructure requires significant lead time. We have experienced and may in the future experience, website disruptions, outages and other performance problems. These problems may be caused by a variety of factors, including infrastructure changes, human or software errors, viruses, security attacks, fraud, increased resource consumption from expansion or modification to our code, spikes in client usage and denial of service issues. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. If we do not accurately predict our infrastructure requirements, our existing clients may experience service outages that may subject them to financial penalties, causing us to incur financial liabilities and client losses, and our operations infrastructure may fail to keep pace with increased sales, causing new clients to experience delays as we seek to obtain additional capacity, which could have a material adverse effect on our business, financial condition and results of operations. If our Thryv platform and add- ons fail to perform properly, our reputation could be adversely affected, our market share could decline, and we could be subject to liability claims, which could have a material adverse effect on our business, financial condition and results of operations. Our solutions are inherently complex and may contain material defects or errors. Any defects in functionality or that cause interruptions in the availability of our Thryv platform and add- ons could result in: • loss or delayed market acceptance and sales; • breach of warranty or other contractual claims for damages incurred by clients; • loss of clients; • diversion of development and client service resources; and • injury to our reputation; The occurrence of any of these issues could have a material adverse effect on our business, financial condition and results of operations. In addition, the costs incurred in correcting any material defects or errors might be substantial. Because of the large amount of data that we collect and manage, it is possible that hardware failures or errors in our systems could result in data loss or corruption, or cause the information that we collect to be incomplete or contain inaccuracies that our clients regard as significant. Furthermore, the availability or performance of our Thryv platform and add- ons could be adversely affected by a number of factors, including clients' inability to access the internet, the failure of our network or software systems, security breaches, or variability in user traffic for our services. We may be required to issue credits or refunds for prepaid amounts related to unused services or otherwise be liable to our clients for damages they may incur resulting from certain of these events. Because of the nature of our business, our reputation could be harmed as a result of factors beyond our control. For example, because our clients access our Thryv platform and add- ons through their internet service providers, if a service provider fails to provide sufficient capacity to support our platform and add- ons or otherwise experiences service outages, such failure could interrupt our clients' access to or experience with our platform, which could adversely affect our reputation or our clients' perception of our platform' s reliability or otherwise have a material adverse effect on our business, financial condition and results of operations. Our insurance may be inadequate or may not be available in the future on acceptable terms, or at all. In addition, our policy may not cover all claims made against us, and defending a suit, regardless of its merit, could be costly and divert management' s attention. Our results of operations may fluctuate significantly and may not fully reflect the underlying performance of our business. Our results of operations may vary significantly in the future and period- to- period comparisons of our results of operations may not be meaningful. Accordingly, the results of any one quarter or annual period should not be relied upon as an indication of future performance. Our financial results may fluctuate as a result of a variety of factors, many of which are outside of our control and as a result, may not fully reflect the underlying performance of our business. Fluctuations in results may negatively impact the value of our common stock. Factors that may cause fluctuations in our financial results include, without limitation: • our ability to attract new clients; • our ability to manage our declining Marketing Services revenue; • the timing of recognition of revenues; • **directory publication cycles; •** the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure; • network outages or security breaches; • general economic, industry and market conditions; including as a result of war, incidents of terrorism, civil unrest, or responses to these events; • client renewals; • increases or decreases in the number of elements of our services or pricing changes upon any renewals of client agreements; • changes in our pricing policies or those of our competitors; • seasonal variations in our client subscriptions; • fluctuation in market interest rates, which impacts debt interest expense; • any changes in the competitive dynamics of our industry, including consolidation among competitors, clients, or strategic partners; and • the impact of new accounting rules. Risks Related to Our Indebtedness Thryv Holdings, Inc. is a holding company and relies on transfers of funds and other payments from its subsidiaries to meet its obligations. Thryv Holdings, Inc. is a holding company that does not conduct any business operations of its own. As a result, we are largely dependent upon cash transfers in the form of intercompany loans and receivables from our subsidiaries to meet our obligations. The deterioration of the earnings from, or other available assets of, our subsidiaries for any reason also could limit or impair their ability to pay dividends or other distributions to us. Our outstanding indebtedness could have a material adverse effect on our financial condition and our ability to operate our business, and we may not be able to generate sufficient cash flows to meet our debt service obligations ~~. We have a substantial amount of debt and significant debt service obligations. On March 1, 2021, we entered into a Term Loan credit agreement (the " Term Loan ") and entered into an agreement to amend (the " ABL Amendment ") the June 30, 2017 senior secured asset- based revolving line of credit agreement (the " ABL Facility " and, together with the Term Loan, the " Senior Credit Facilities "). The proceeds of the Term Loan were used to finance the Thryv~~

~~Australia Acquisition, refinance in full our existing term loan facility (the " Senior Term Loan "), and pay fees and expenses related to the Thryv Australia Acquisition and related financing. The Term Loan established a senior secured term loan facility (the " Term Loan Facility ") in an aggregate principal amount equal to $ 700. 0 million, of which $ 415. 3 million remained outstanding as of December 31, 2022. The ABL Amendment was entered into in order to permit the term loan refinancing, the Thryv Australia Acquisition and make certain other changes to the ABL credit agreement, including, among others: increase the maximum revolver amount to $ 175. 0 million; reduce the interest rate per annum to (i) 3- month LIBOR plus 3. 00 % for LIBOR loans and (ii) base rate plus 2. 00 % for base rate loans; and reduce the commitment fee on undrawn amounts under the ABL Facility to 0. 375 %. The Term Loan, which was incurred by Thryv, Inc., our operating subsidiary, is secured by all the assets of Thryv, Inc., certain of its subsidiaries and us, and is guaranteed by us and certain of our subsidiaries. The Term Loan has a maturity date of March 31, 2026, and the ABL Facility has a maturity date on the earlier of March 31, 2026 or 91 days prior to the stated maturity date of the Term Loan. As of December 31, 2022, we had $ 415. 3 million principal amount outstanding (net of debt issuance costs of $ 14. 1 million) under our Term Loan, and $ 54. 6 million amount outstanding and $ 91. 9 million available borrowing capacity under our ABL Facility~~ . Our outstanding indebtedness and any additional indebtedness we incur may have important consequences for us, including, without limitation, that: • increase our vulnerability to adverse changes in general economic and industry conditions and competitive pressures; • require us to dedicate a substantial portion of our cash flow from operations to make payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes; • limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; • restrict us from pursuing business opportunities as they arise or from successfully carrying out plans to expand our business; • make it more difficult to satisfy our financial obligations, including payments on our indebtedness; • place us at a disadvantage compared to our competitors that have less debt; and • limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes. Despite our substantial indebtedness, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial leverage. We may incur substantial additional indebtedness in the future. Although the agreements governing our Senior Credit Facilities contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness we can incur in compliance with these restrictions could be substantial. This could further exacerbate the risks associated with our substantial leverage. Restrictive covenants in the agreements governing our Senior Credit Facilities may restrict our future operations, including our ability to pursue our business strategies or respond to changes. The agreements governing our Senior Credit Facilities contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long- term best interests. These include covenants restricting, among other things, our (and our subsidiaries') ability to: • incur additional indebtedness; • create, incur, assume or permit liens; • consolidate, merge, liquidate, wind up or dissolve; • make, purchase, hold or acquire investments, including acquisitions, loans and advances; • pay dividends or make other distributions in respect of equity; • make payments in respect of junior lien or subordinated debt; • sell, transfer, lease, license or sublease or otherwise dispose of assets; • enter into any sale and leaseback transactions; • engage in transactions with affiliates; • enter into any restrictive agreement; • materially alter the business that we conduct; • change our fiscal year for accounting and financial reporting purposes; and • amend or otherwise change the terms of the documentation governing certain restricted debt. In addition, our covenants require us to maintain specified financial ratios and satisfy other financial condition tests. The terms of any future indebtedness we may incur could include more restrictive covenants. We may not be able to maintain compliance with these covenants in the future and, if we fail to do so, that we will be able to obtain waivers from our creditors and / or amend the covenants. Our failure to comply with the covenants or to maintain the required financial ratios contained in the agreements governing our indebtedness could result in an event of default under such indebtedness, which could have an adverse effect on our business, financial condition, results of operations and prospects. Additionally, our default under one agreement covering our indebtedness may trigger cross- defaults under other agreements covering our indebtedness. Upon the occurrence of an event of default or cross- default under any of the agreements governing our indebtedness, the lenders could elect to declare all amounts outstanding to be due and payable and exercise other remedies. In the event our lenders accelerate the maturity of our indebtedness, we would not have sufficient cash to repay that indebtedness, which would materially and adversely affect our business, financial condition, results of operations and prospects and could have a material adverse effect on our ability to continue to operate as a going concern. Furthermore, if we were unable to repay the amounts due and payable under the agreements governing our indebtedness, those lenders could proceed against the collateral granted to them to secure that indebtedness. We may be unable to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness that may not be successful. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could have a material adverse effect on our business, financial condition, results of operations and prospects. Our ability to make payments on and to refinance our indebtedness and to fund working capital needs and planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other factors that are beyond our control. If our business does not generate cash flow from operations in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness on or before the maturity thereof, sell assets, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on our operations. In addition, we may not be able to affect any of these actions, if necessary, on commercially reasonable terms or at all. Our ability to restructure or refinance our indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may limit or prevent us from taking any of these actions. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness on commercially reasonable terms or at all. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, could have a material adverse effect on our business, financial condition, results of operations and prospects and could have a material adverse effect on our ability to continue to operate as a going concern. In the future, we may be dependent upon our lenders for financing to execute our business strategy and to meet our liquidity needs. If our lenders are unable to fund borrowings under their credit commitments or we are unable to borrow, it could have a material adverse effect on our business, financial condition and results of operations. During periods of volatile credit markets, there is risk that lenders, even those with strong balance sheets and sound lending practices, could fail or refuse to honor their legal commitments and obligations under existing credit commitments, including but not limited to, extending credit up to the maximum amount permitted by the ABL Facility. If our lenders are unable to fund borrowings under their revolving credit commitments or we are unable to borrow, it could be difficult to obtain sufficient funding to execute our business strategy or to meet our liquidity needs, which could have a material adverse effect on our business, financial condition and results of operations. Our debt may be downgraded, which could have a material adverse effect on our business, financial condition and results of operations. A reduction in the ratings that rating agencies assign to our debt may negatively impact our access to the debt capital markets and increase our cost of borrowing, which could have a material adverse effect on our business, financial condition and results of operations. Volatility and weakness in bank and capital markets may adversely affect credit availability and related financing costs for us. Banking and capital markets can experience periods of volatility and disruption. If the disruption in these markets is prolonged, our ability to refinance, and the related cost of refinancing, some or all of our debt could be adversely affected. Although we currently can access the bank and capital markets, such markets may not continue to be a reliable source of financing for us. These factors, including the tightening of credit markets, could adversely affect our ability to obtain cost- effective financing. Increased volatility and disruptions in the financial markets also could make it more difficult and more expensive for us to refinance outstanding indebtedness and to obtain financing. In addition, the adoption of new statutes and regulations, the implementation of recently enacted laws, or new interpretations or the enforcement of older laws and regulations applicable to the financial markets or the financial services industry could result in a reduction in the amount of available credit or an increase in the cost of credit. Disruptions in the financial markets can also adversely affect our lenders, insurers, clients and other counterparties. Any of these results could have a material adverse effect on our business, financial condition and results of operations. Changes in key assumptions could result in additional underfunded pension obligations, resulting in the need for additional plan funding by us and increased pension expenses. We have material pension liabilities, some of which represent underfunded liabilities under our frozen pension plans. Changes in the interest rate environment, inflation, mortality rate assumptions or unfavorable changes in applicable laws or regulations could materially change the timing and amount of required plan funding. Additionally, a material deterioration in the funded status of the plans could significantly increase our pension expenses, potentially impacting our cash flow and profitability in the future. Risks Related to Ownership of Our Common Stock The ~~trading~~ market **price** of our shares of common stock may ~~not continue to be active or liquid and the market price of our shares of common stock may~~ be volatile ~~. Our common stock is listed and traded on the Nasdaq Capital Market (" Nasdaq "). Prior to listing on Nasdaq on October 1, 2020, there was no public market for our common stock. An active market for our common stock may not be sustained, which could depress the market price of our common stock and could affect the ability of our stockholders to sell our common stock. In the absence of an active public trading market, investors may not be able to liquidate their investments in our common stock. An inactive market may also impair our ability to raise capital by selling our common stock, our ability to motivate our employees through equity incentive awards and our ability to acquire other companies, products or technologies by using our common stock as consideration. In addition, we cannot predict the prices at which our shares of common stock may trade on Nasdaq, and the market price of our shares of common stock may fluctuate significantly in response to various factors, some of which are beyond our control. Furthermore, because our direct listing process on Nasdaq was novel and differed significantly from an underwritten initial public offering, Nasdaq' s rules for ensuring compliance with its initial listing standards, such as those requiring a valuation or other compelling evidence of value, are untested. In addition, because of our novel listing process, individual investors, retail or otherwise, may have greater influence in setting the public prices of our common stock on Nasdaq. These factors could result in a public price of our common stock that is higher than investors (including institutional investors) are willing to pay, which could cause volatility in the trading price of our common stock. Further, if the public price of our common stock is above the level that investors determine is reasonable for our common stock, some investors may attempt to short our common stock, which would create additional downward pressure on the public price of our common stock. To the extent that there is a lack of consumer awareness among retail investors, such lack of consumer awareness could reduce the value of our common stock and cause volatility in the trading price of our common stock~~ . The public price of our common stock ~~also~~ could be subject to wide fluctuations in response to the risk factors described herein and others beyond our control, including: • the number of shares of our common stock publicly owned and available for trading; • overall performance of the equity markets and / or publicly- listed companies that offer marketing services and SaaS solutions; • actual or anticipated fluctuations in our revenue or other operating metrics; • our actual or anticipated operating performance and the operating performance of our competitors; • changes in the financial projections we provide to the public or our failure to meet these projections; • failure of securities analysts to ~~initiate or~~ maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet the estimates or the expectations of investors; • any major change in our Board, management, or key personnel; • the economy as a whole and market conditions in our industry; • rumors and market speculation involving us or other companies in our industry; • announcements by us or our competitors of significant innovations, new products, services, features, integrations or capabilities, acquisitions, strategic investments, partnerships, joint ventures, or capital commitments; • new laws or regulations or new interpretations of existing laws or regulations applicable to our business, including those related to data privacy and cyber- security in the U. S. or globally; • lawsuits threatened or filed against us; • other events or factors, including those resulting from war, incidents of terrorism, civil unrest, or responses to these events; and • sales or expected sales of our common stock by us and our officers, directors and principal stockholders. In addition, stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many companies have fluctuated in a manner often unrelated to the operating performance of those companies. These fluctuations may be even more pronounced in the trading market for our common stock as a result of the supply and demand forces described above. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and harm our business, results of operations and financial condition ~~. We have outstanding warrants that are exercisable for our common stock. If these warrants are exercised, the number of shares eligible for resale in the public market would increase and result in potential price volatility and dilution to our stockholders. As of December 31, 2022, we had outstanding warrants to purchase an aggregate of 5, 237, 413 shares of our common stock at an exercise price of $ 24. 39 per share. The warrants may be exercised in whole or in part at any time prior to their expiration at 5: 00 p. m., Pacific Time, on August 15, 2023. To the extent such warrants are exercised, additional shares of our common stock will be issued, which will result in dilution to the holders of our common stock and increase the number of shares eligible for resale in the public market. Resales of substantial numbers of shares in the public market in close proximity to the day that our shares of common stock are initially listed on Nasdaq may increase price volatility which could adversely affect the price of our common stock. None of our stockholders are party to any contractual lock- up agreement or other contractual restrictions on transfer. Sales of substantial amounts of our common stock in the public markets or the perception that sales might occur, could cause the market price of our common stock to decline. In addition to the supply and demand and volatility factors discussed above, sales of a substantial number of shares of our common stock into the public market, particularly sales by our directors, executive officers and principal stockholders, or the perception that these sales might occur in large quantities, could cause the market price of our common stock to decline. As of December 31, 2022, we have 34, 593, 837 shares of common stock outstanding, the substantial majority of which is currently subject to resale limitations under Rule 144 under the Securities Act. These shares may be sold either pursuant to the Registration Statement or by our other existing stockholders under Rule 144 if such shares held by such other stockholders have been beneficially owned by non- affiliates for at least one year. Moreover, assuming the availability of certain public information about us, (i) non- affiliates who have beneficially owned our common stock for at least six months may rely on Rule 144 to sell their shares of common stock and (ii) our directors, executive officers and other affiliates who have beneficially owned our common stock for at least six months, including certain of the shares of common stock covered by the Registration Statement to the extent not sold thereunder, will be entitled to sell their shares of our common stock subject to volume limitations under Rule 144 under the Securities Act and various vesting agreements. None of our stockholders are subject to any contractual lock- up or other contractual restriction on the transfer or sale of their shares. As of December 31, 2022, there were outstanding warrants to purchase an aggregate of 5, 237, 413 shares of our common stock at an exercise price of $ 24. 39 per share. As of December 31, 2022, a total of 4, 955, 272 shares have been granted from our 2016 and 2020 Incentive Plans consisting of: 473, 371 performance restricted stock units (" PSUs "), 525, 735 restricted stock units (" RSUs ") and 3, 956, 166 non- qualified stock options (" NQSOs ") granted to employees and non- employee Directors. As of December 31, 2022, all of the PSUs and RSUs were unvested and had not distributed; 3, 533, 507 of the NQSOs were outstanding, of which 2, 132, 040 were vested and exercisable. We filed a registration statement on Form S- 8 under the Securities Act to register the shares reserved for issuance under our 2016 Stock Incentive Plan and our 2020 Incentive Award Plan and, as a result, all shares of common stock acquired upon the exercise of such options are freely tradable under the Securities Act, unless acquired by our affiliates. We also may issue our common stock or securities convertible into our common stock from time to time in connection with a financing, acquisition, investments, or otherwise, but we will not conduct any such issuance during any period in which this registration statement is effective. Any such issuance could result in substantial dilution to our existing stockholders and cause the public price of our common stock to decline~~. Because we do not intend to pay cash dividends in the foreseeable future, you may not receive any return on investment unless you are able to sell your common stock for a price greater than your purchase price. We have never declared nor paid cash dividends on our common stock. We do not intend in the foreseeable future to pay any dividends to holders of our common stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or to pay any dividends in the foreseeable future. Additionally, our ability to generate income and pay dividends is dependent on the ability of our subsidiaries to declare and pay dividends or lend funds to us. Future indebtedness of or jurisdictional requirements on our subsidiaries may prohibit the payment of dividends or the making or repayment of loans or advances to us. Consequently, the success of an investment in shares of our common stock will depend upon any future appreciation in their value. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which investors have purchased their shares. However, the payment of future dividends will be at the discretion of our Board, subject to applicable law and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions that apply to the payment of dividends and other considerations that our Board deems relevant. As a consequence of these limitations and restrictions, we may not be able to make the payment of dividends on our common stock. Risks Related to Governance and Ownership Structure ~~We incur increased costs and obligations as a result of being a public company. As a publicly traded company, we incur additional legal, accounting and other expenses that we were not required to incur in the past. Since our direct listing on October 1, 2020, we are now required to file with the SEC annual and quarterly information and other reports that are specified by the Securities Exchange Act of 1934, as amended (the " Exchange Act "). We are also subject to~~

~~other reporting and corporate governance requirements, including the requirements of Nasdaq and certain provisions of the Sarbanes- Oxley Act and the regulations promulgated thereunder, which impose additional compliance obligations upon us. As a public company, we must, among other things: • prepare and distribute periodic public reports and other stockholder communications in compliance with our obligations under the federal securities laws and applicable stock exchange rules; • institute more comprehensive financial reporting and disclosure compliance functions; • enhance our investor relations function; and • involve and retain to a greater degree outside counsel and accountants in the activities listed above. These changes require a commitment of additional resources. The commitment of resources required for implementing them could have a material adverse effect on our business, financial condition and results of operations. Becoming a public company has required a significant commitment of resources and management oversight that has increased and may continue to increase our costs and could place a strain on our systems and resources. As a result, our management' s attention might be diverted from other business concerns. If we are unable to offset these costs through other savings, then it could have a material adverse effect on our business, financial condition and results of operations. The requirements of being a public company may strain our resources, divert management' s attention and affect our ability to attract and retain executive management and qualified board members. As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes Oxley Act, the listing standards of Nasdaq, on which we are traded and other applicable securities rules and regulations. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting and financial compliance costs, make some activities more difficult, time- consuming and costly and place significant strain on our personnel, systems and resources. For example, the Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and results of operations. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management' s attention may be diverted from other business concerns, which could harm our business and operating results. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management' s attention may be diverted from other business concerns, which could harm our business, results of operations and financial condition. Although we have already hired additional employees to assist us in complying with these requirements, we may need to hire more employees in the future or engage outside consultants, which will increase our operating expenses. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time- consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest substantial resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management' s time and attention from business operations to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. We also expect that being a public company and these new rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified senior management and members of our Board, particularly to serve on our audit and risk committee and compensation committee and qualified executive officers. As a result of disclosure of information in filings required of a public company, our business and financial condition will become more visible, which may result in an increased risk of threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business, results of operations and financial condition could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims and the time and resources necessary to resolve them, could divert the resources of our management and harm our business, results of operations and financial condition.~~ Anti- takeover provisions in our fourth amended and restated certificate of incorporation and second amended and restated bylaws and certain provisions of Delaware law could delay or prevent a change of control that may be favored by some stockholders. We are a Delaware corporation, and the anti- takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, provisions in our certificate of incorporation and bylaws may discourage, delay or prevent a merger or other change of control transaction that stockholders may consider favorable. These provisions may also make it more difficult for our stockholders to change our Board and senior management. Among other things, these provisions: • provide for a classified Board with staggered three- year terms; • do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates; • delegate the sole power to fix the number of directors to a majority of the Board; • provide the power of our Board to fill any vacancy on our Board, whether such vacancy occurs as a result of an increase in the number of directors or otherwise; • generally eliminate the ability of stockholders to call special meetings of stockholders and generally prohibit stockholder action to be taken by written consent; and • establish advance notice requirements for nominations for election to our Board or for proposing matters that can be acted on by stockholders at stockholder meetings. In addition, our Board has the authority to cause us to issue, without any further vote or action by the stockholders, up to 50, 000, 000 shares of preferred stock, par value $ 0. 01 per share, in one or more series, to designate the number of shares constituting any series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price, or prices and liquidation preferences of such series. The issuance of shares of preferred stock or the adoption of a stockholder rights plan may have the effect of delaying, deferring or preventing a change in control of our company without further action by the stockholders, even where stockholders are offered a premium for their shares. Further, under the agreements governing our Senior Credit Facilities, a change of control would cause us to be in default. In the event of a default, the administrative agent under our Senior Credit Facilities would have the right (or, at the direction of lenders holding a majority of the loans and commitments under our Senior Credit Facilities, the obligation) to accelerate the outstanding loans and to terminate the commitments under our Senior Credit Facilities, and if so accelerated, we would be required to repay all of our outstanding obligations under our Senior Credit Facilities. In addition, several of our agreements with local telephone service providers require their consent to any assignment by us of our rights and obligations under the agreements. We may from time to time enter into new contracts that contain change of control provisions that limit the value of, or even terminate, the contract upon a change of control. The consent rights in these agreements might discourage, delay or prevent a transaction that a stockholder may consider favorable. Our second amended and restated bylaws provide, subject to certain exceptions, that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain stockholder litigation matters, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees, or stockholders. Our second amended and restated bylaws provide, subject to limited exceptions, that the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders; (iii) any action asserting a claim against us, any director or our officers or employees arising pursuant to any provision of the DGCL, our fourth amended and restated certificate of incorporation or our second amended and restated bylaws; or (iv) any action asserting a claim against us, any director or our officers or employees that are governed by the internal affairs doctrine. This exclusive forum provision does not apply to claims arising under the Securities Act, the Exchange Act or other federal securities laws and rules and regulations promulgated thereunder for which there is exclusive federal or concurrent federal and state jurisdiction. The federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any action asserting a claim arising under the Securities Act, the Exchange Act or the rules and regulations promulgated thereunder, and investors cannot waive Thryv' s compliance with these laws, rules and regulations. Any person or entity purchasing or otherwise acquiring any interest in shares of our common stock shall be deemed to have notice of and to have consented to the provisions of our fourth amended and restated certificate of incorporation described above. This choice of forum provision may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees, or stockholders, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision that is contained in our second amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition and results of operations. General Risk Factors Forecasts of market growth may prove to be inaccurate and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, if at all. Growth forecasts are subject to significant uncertainty and are based on assumptions and estimates which may not prove to be accurate. Our forecasts, if any, relating to the expected growth in marketing and management software markets may prove to be inaccurate. Even if these markets experience such forecasted growth, we may not grow our business at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, our forecasts of market growth should not be taken as necessarily indicative of our future growth. If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our common stock and trading volume could decline. The trading market for our common stock ~~will depend~~ **depends** in part on the research and reports that securities or industry analysts publish about us and / or our business ~~. Securities and industry analysts do not currently and may never, publish research on our company~~ . If few securities analysts commence coverage of us, or if industry analysts cease coverage of us, the trading price for our common stock would be adversely affected. If one or more of the analysts who cover us downgrade our common stock or publish inaccurate or unfavorable research about our business, our common stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us on a regular basis, demand for our common stock could decrease, which might cause our common stock price and trading volume to decline.